

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1135

S. P. 377

In Senate, March 5, 1981

Referred to the Committee on Appropriations and Financial Affairs. Sent down for concurrence and ordered printed.

MAY M. ROSS, Secretary of the Senate

Presented by Senator Huber of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Limit the Amount of State Expenditures which may be made from Undedicated Revenues without Voter Approval.

Be it enacted by the People of the State of Maine, as follows:

3 MRSA c. 27 is enacted to read:

CHAPTER 27

STATE EXPENDITURES

§ 581. State expenditures

1. **Limitation of expenditures.** Total state General Fund appropriations, but not expenditures from state dedicated revenue accounts effective on July 1, 1982, during any fiscal year may not exceed such appropriations for the prior fiscal year by a greater percentage than the lesser of: The percentage change in the cost of living or Maine personal income as established by recognized indices selected by the Legislature. Debt service payments are excluded from this limitation. Any amount appropriated above this limitation is not effective until ratified by the electors in accordance with law, except for funds needed in case of a declared emergency in which case such needed expenditures may be authorized by the Legislature and the Governor in an emergency bill. Emergency expenditures may be made only during the fiscal year for which the emergency is declared and shall be excluded from future calculations of total expenditures.

2. Declaration of emergency. The expenditure limit of subsection 1 may be exceeded only if all the following conditions are met:

- A. The Governor requests the Legislature to declare an emergency;**
- B. The request is specific as to the nature of the emergency and the amount of funding required to meet the emergency. This request shall also state the Governor's recommended method of funding the emergency; and**
- C. The Legislature declares an emergency in accordance with the specifics of the Governor's request by a 2/3 vote of the members elected to each branch.**

3. Protection of local government from state-required costs. The Legislature and the Executive Department are prohibited from requiring that nonstate levels of government provide any new or expanded programs or services without reasonable financing from sources other than property taxes or from shifting the cost of existing programs and services to either the county or municipal level of government except those shifts governed by statutes effective on July 1, 1982.

STATEMENT OF FACT

This bill puts a limit on expenditures from the state General Fund undedicated revenues.